Section 1.21001, Participation in Competitive Bidding for Support; Section 1.21002, Prohibition of Certain Communications During the Competitive Bidding Process

3060-1166
November 2026

SUPPORTING STATEMENT

The Federal Communications Commission (Commission) requests approval from the Office of Management and Budget (OMB) for an extension without change of a currently approved collection under OMB 3060-1166 for a period of three years.

A. Justification:

1. *Circumstances that make the revised collection necessary*. On November 18, 2011, the Commission released an order in which it comprehensively reformed and modernized the universal service and intercarrier compensation systems to ensure that robust, affordable voice and broadband service, both fixed and mobile, are available to Americans throughout the nation.[1] In the *USF/ICC Transformation Order*, the Commission, among other things, created (1) the Connect America Fund (CAF), to help make broadband available to homes, businesses, and community anchor institutions in areas that do not, or would not otherwise, have broadband, (2) the Mobility Fund, to ensure the availability of mobile broadband networks in areas where a private-sector business case is lacking, and (3) the Remote Areas Fund (RAF), to ensure that Americans living in the most remote areas in the nation, where the cost of deploying traditional terrestrial broadband networks is extremely high, can obtain affordable access through alternative technology platforms, including satellite and unlicensed wireless services. The *USF/ICC Transformation Order* directed that support under CAF Phase II, the Mobility Fund, and the RAF be awarded by competitive bidding.[2] The Commission adopted rules to implement the reforms it adopted in the *USF/ICC Transformation Order*, including rules in Part 1, Subpart AA of the Commission's rules governing competitive bidding for universal service support generally.[3]

Section 1.21001 of the Commission's rules contains information collection requirements used to determine whether an applicant is generally qualified to bid for universal service support. Sections 1.21002 of the Commission's rules contains information collection requirements concerning the requirement to report prohibited communications made or received by an auction applicant and the procedures for doing so. OMB initially approved the information collection requirements in sections 1.21001 and 1.21002 in April 2012 under OMB control number 3060-1166, and has subsequently approved extensions of the information collection requirements in these rules. The information collection requirements reported under this collection apply generally to applicants seeking to participate in competitive bidding for universal service support.[4]

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[1] *Connect America Fund et al.*, Order and Further Notice of Proposed Rulemaking, FCC 11-161 (*USF/ICC Transformation Order*).

[2] On January 30, 2020, the Commission adopted a Report and Order in which it replaced the RAF with the Rural Digital Opportunity Fund. *See Rural Digital Opportunity Fund; Connect America Fund*, Report and Order, FCC 20-5.

[3] *See* 47 CFR §§ 1.21001-1.21004.

[4] Applicants seeking to participate in the Commission's Mobility Fund Phase I, Tribal Mobility Fund Phase I, CAF Phase II, and Rural Digital Opportunity Fund auctions were required to provide the information required by section 1.21001 in their auction applications and to comply with the prohibited communications reporting requirements in 1.21002(c) and (d).

On October 27, 2020, the Commission adopted a Report and Order in which it established the 5G Fund for Rural America.[5] The *5G Fund Report and Order* also, among other things, amended sections 1.21001 and 1.21002 of the Commission's existing Part 1, Subpart AA general universal service competitive bidding rules to codify policies and procedures applicable to the universal service auction application process that have been adopted in its recent universal service auctions, better align provisions in the universal service competitive bidding rules with like provisions in the Commission's spectrum auction rules, and make other updates for consistency, clarification, and other purposes that would apply in all universal service auctions.[6] The amendments to sections 1.21001 and 1.21002 in the Commission's Part 1, Subpart AA rules adopted in the *5G Fund Report and Order* apply to applicants seeking to participate in Commission auctions for universal service support. On April 14, 2021, OMB approved the Commission's requested modification of OMB Control Number 3060-1166 to permit the collection of information in future auctions for universal service support pursuant to the modified and new information collection requirements adopted by the Commission in the *5G Fund Report and Order*.

The information collection requirements approved under OMB Control Number 3060-1166 are contained in sections 1.21001(b)(1) through (b)(13), 1.21001(e), 1.21002(e), and 1.21002(f) of the Commission's rules.[7] The information collection requirements currently approved under OMB Control Number 3060-1166 have not changed since they were last approved by OMB on April 14, 2021. The Commission is requesting an extension of OMB's approval for the information collection requirements under OMB Control Number 3060-1166 as currently approved.

Statutory authority for this information collection is contained in 47 U.S.C. 154, 254 and 303(r).

This information does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. *Use of information.* The Commission's rules governing competitive bidding for universal service support are designed to ensure that the competitive bidding process is limited to serious qualified applicants, deter possible abuse of the bidding and support authorization processes, and enhance the use of competitive bidding to award universal service support in furtherance of the public interest. The information collected under this information collection is used by the Commission to determine whether an applicant is qualified to participate in competitive bidding for universal service support. The section 1.21001 information collection requirements reported under this information collection are collected on the applicable application form used by the Commission for participation in a particular auction for universal service support, for which OMB approval is separately obtained by the Commission.[8]

[5] *Establishing a 5G Fund for Rural America*, Report and Order, FCC 20-150 (*5G Fund Report and Order*). The Commission established the 5G Fund for Rural America (5G Fund) as a replacement for Phase II of the Mobility Fund. *Id.*

[6] *Id.*

[7] 47 CFR §§ 1.21001(b)(1)-(13), 1.21001(e), 1.21002(e)-(f).

[8] For example, the information collection requirements in section 1.21001 of the Commission's rules were collected on FCC Form 180 for the Mobility Fund Phase I (MF-I) and Tribal Mobility Fund Phase I (TMF-I) auctions, and were collected on FCC Form 183 for the CAF Phase II and Rural Digital Opportunity Fund auctions. *See* OMB 3060-1166 and OMB 3060-1252. The information collection requirements that were initially approved by under OMB 3060-1166 included the requirements contained in section 1.21001 and 1.21002(c) and (d) of the Commission's general rules for competitive bidding for universal service support and the program-specific requirements for MF-I and TMF-I auction applicants contained in sections 54.1003, 54.1004, and 54.1005 of the Commission's rules, as well as the FCC Form 180 auction application form used to collect this information from MF-I and TMF-I auction applicants. However, the information requirements contained in sections 54.1003,

Commission staff reviews the information collected for a particular auction as part of the pre-auction process, prior to the auction being held. Commission staff determines whether an applicant seeking to participate in an auction for universal service support meets the requirements and is qualified to participate.

The reports of prohibited communications required by sections 1.21002(e) and (f) of the Commission's rules that are collected under this information collection enable the Commission to ensure that no bidder gains an unfair advantage over other bidders in its auctions for universal service support and thus enhance the competitiveness and fairness of Commission's auctions for universal service support. The information collected will be reviewed and, if warranted, referred to the Commission's Enforcement Bureau for possible investigation and administrative action. The Commission may also refer allegations of anticompetitive auction conduct to the Department of Justice for investigation.

3. *Technological collection techniques.* The Commission is committed to meeting the requirements of the E-Government Act, which requires Government agencies to provide the general public the option of submitting information or transacting business electronically to the maximum extent possible. The information required by section 1.21001 of the Commission's rules collected under this information collection will be submitted electronically through the Commission's auction application system. The Commission developed a centralized electronic system for collecting the information to reduce both public and agency administrative burden. The Commission expects that in almost all cases, parties will submit any prohibited communications reports electronically by e-mail.

4. *Efforts to identify duplication.* There will be no duplicative information collected. Each application to participate in an auction for universal service support that is submitted will be for a new program and for new purposes. The information required to be submitted to report prohibited communications is also unique to covered parties in a particular auction and is not already available because the Commission does not impose a separate similar information collection on such parties. Thus, there is no similar data available under another information collection.

5. *Impact on small entities.* The information collected under this information collection may affect small entities as well as large entities. In conformance with the Paperwork Reduction Act of 1995 (PRA), the Commission is making an effort to minimize the burden on all respondents regardless of size. Decisions regarding whether to apply to participate in a given universal service auction rest exclusively with the respondents. The Commission has limited the information requirements under this information collection to that which is necessary for evaluating and processing each application to participate in an auction for universal service support and to deter possible abuses of the Commission's processes. In addition, the Commission makes available tutorials and related educational information to assist respondents, including small entities, in understanding what information should be submitted.

The Commission does not believe that the costs and/or administrative burdens associated with the reports of prohibited communications required by sections 1.21002(e) and (f) that are collected under this information collection will unduly burden small entities because these rules merely require those who make or receive a communication prohibited by section 1.21002(b) to report the facts of a communications that appears to be prohibited to the Commission no later than five business days after the communication occurs. Despite the large number of small businesses that have participated in Commission auctions programs to date, an extremely small percentage of auction participants have reported making or receiving communications that have violated the prohibited communications rule. The Commission

54.1004, and 54.1005 of the Commission's rules and the FCC Form 180 application, which apply only to MF-I and TMF-I auction applicants, became obsolete following the completion of the MF-I and TMF-I auctions and were removed from OMB 3060-1166 through a revision in 2017 – with only the information collection requirements contained in sections 1.21001 and 1.21002(c) and (d) retained in OMB 3060-1166.

believes that the vast majority of applicants comply with the Commission's rules and do not engage in prohibited behavior, and that this will continue to be the case. Therefore, the Commission expects this reporting requirement to have little impact on small businesses generally.

The Commission cannot further reduce the burden of these requirements by exempting certain parties, such as small businesses, because the Commission cannot alter the uniform standards of behavior required of all auction participants, even if to do so might assist small businesses.

6. *Consequences if information is not collected.* The Commission's universal service support auctions program could not function in its current form without the collection of the information required under this information collection. Without collecting the information required by section 1.21001 under this collection, the Commission would not be able to determine whether applicants are legally, technically, and financially qualified to participate in a Commission auction for universal service support. The requirement to report prohibited communications acts as a deterrent to would-be disseminators of prohibited information and benefits all bidders by increasing general confidence in the integrity of the Commission's universal service support auctions and enhancing the competitiveness and fairness of an auction. Collection of this information to determine applicants' qualifications pursuant to Commission rules and requirements to participate in an auction for universal service support and to deter and safeguard against prohibited communications is designed to limit competitive bidding to qualified applicants, deter possible abuse of the bidding process (including through prohibited communications), and enhance the use of competitive bidding to distribute Universal Service Fund support in furtherance of the public interest. Thus, the information is being collected to meet the objectives of the Universal Service Fund program.

7. *Special circumstances*. This information collection as currently approved does not have any of the characteristics that would require separate justification under 5 C.F.R. § 1320.5(d)(2).

8. *Federal Register notice; efforts to consult with persons outside the Commission.* Pursuant to 5 C.F.R. § 1320.8, the Commission published a 60-day notice in the Federal Register on September 10, 2026 (91 FR 57595) regarding the extension of this information collection. No comments were received in response to this notice.

9. *Payments or gifts to respondents*. Respondents will not receive any payments or gifts aside from universal service support if they become winning bidders and are authorized to receive universal service support.

10. *Assurances of confidentiality.* Information collected in each application to participate in an auction for universal service support will be made available for public inspection, and the Commission is not requesting that respondents submit confidential information to the Commission as part of the pre-auction application process. However, to the extent that a respondent seeks to have certain information collected in an application to participate in an auction for universal service support or in a report of a prohibited communication withheld from public inspection, the respondent may request confidential treatment pursuant to 47 CFR § 0.459 of the Commission's rules.

11. *Questions of a sensitive nature.* The information collection requirements do not ask questions of a sensitive nature.

12. *Estimates of the hour burden of the retained information collection to respondents*. Auctions occur on an irregular schedule. Respondents determine whether to apply to participate in a particular Commission auction and, therefore, determine the frequency of filing. The number of applicants will

vary, depending on the number of providers interested in serving the areas eligible for universal service support in a given auction. However, the Commission estimates that approximately 750 parties may submit applications annually to participate in competitive bidding for universal service support.

a. *Number of estimated respondents*: 750 respondents annually.

b. *Total Number of annual responses*: 750 responses.

c. *Frequency of response*: On occasion reporting requirement.

d. *Total estimated annual burden hours*: Up to 1.5 hours per response for an estimated 750 responses x 1.5 hours/response = 1,125 hours. Therefore, the total estimated annual hour burden is calculated as follows:

750 estimated annual responses x 1.5 hours per response = 1,125 total estimated annual burden hours.

e. *Total estimate of annualized "in-house" cost to respondents for the hour burden*: **$87,918.75**.

f. *Explanation of calculation*: The Commission estimates that responses to this collection will typically be prepared by the respondents using existing in-house staff (e.g., paralegal or other legal staff member) at a rate equivalent to the hourly rate of a GS-14/Step 5 government staff member ($78.15/hour). Therefore, the in-house cost is as follows:

750 estimated annual responses x 1.5 hours per response x $78.15/hour = $87,918.75.

13. *Estimates of the cost burden of the collection to respondents.* There is no external cost burden to the respondents. Applicants should not incur capital and start-up costs or operation and maintenance of purchase of services in connection with responding to the retained information collections. The information collected should be collected and maintained as part of the customary and usual business or private practice of the applicant.

TOTAL CAPITAL AND START-UP COSTS OR OPERATION AND MAINTENANCE (O&M) = $0.

14. *Estimates of the cost burden of the collection to the Commission.* The Commission estimates that, on average, staff review of the information collected, including time spent by staff attorneys, will take 1 hour per response, including time to identify any deficiencies, review resubmitted information as necessary, and identify the nature of any legal issues requiring policy review.

Total Estimated Annual Cost to the Federal Government: 750 x 1 hour per response x $78.15 (Attorney, GS-14/Step 5) = $58,612.50.

TOTAL ANNUAL COST TO THE GOVERNMENT: $58,612.50.

15. *Program changes or adjustments from the collection*. The Commission is reporting no change in annual burden for this collection. Therefore, there are no program changes or adjustments to this collection.

16. *Collections of information whose results will be published.* This information collection will not be published for statistical use.

17. *Display of expiration date for OMB approval of information collection.* The Commission seeks a continued exemption from the requirement to display the OMB expiration date for this information collection. A list of OMB-approved information collections and their corresponding OMB control numbers and OMB expiration dates are listed on OMB's website.

18. *Exception to the certification statement for Paperwork Reduction Act submissions.* There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

This information collection does not employ statistical methods, and the use of such methods would not reduce the burden or improve accuracy of results.